



## DEPARTMENT OF THE INTERIOR

### Office of Natural Resources Revenue

[Docket No. ONRR-2011-0021; DS63644000 DRT000000.CH7000 223D1113RT,

OMB Control Number 1012-0002]

### Agency Information Collection Activities: Indian Oil and Gas Valuation

**AGENCY:** Office of Natural Resources Revenue (“ONRR”), Interior.

**ACTION:** Notice of Information Collection; request for comment.

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**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995 (“PRA”), ONRR is proposing to renew an information collection. Through this Information Collection Request (“ICR”), ONRR seeks renewed authority to collect information for the collection, verification, and disbursement of oil and gas royalties owed to Indian lessors. ONRR uses forms ONRR-4109, ONRR-4110, ONRR-4295, ONRR-4393, ONRR-4410, and ONRR-4411 as part of these information collection requirements.

**DATES:** Interested persons are invited to submit written comments on or before

[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**ADDRESSES:** All comment submissions must (1) reference “OMB Control Number 1012-0002” in the subject line; (2) be sent to ONRR before the close of the comment period listed under **DATES**; and (3) be sent through one of the following two methods:

- *Electronically via the Federal eRulemaking Portal:* Please visit

<https://www.regulations.gov>. In the Search Box, enter the Docket ID Number for this ICR renewal (“ONRR-2011-0021”) to locate the document and click the “Comment Now!” button. Follow the prompts to submit your comment prior to the close of the comment period.

- *Email Submissions:* Please email your comments to

*ONRR\_RegulationsMailbox@onrr.gov* with the Control Number (“OMB Control Number 1012-0002”) listed in the subject line of your email. Email submissions must be postmarked on or before the close of the comment period.

*Docket:* To access the docket to view ICR publications in the **Federal Register**, go to <https://www.regulations.gov> and search “ONRR-2011-0021.” The docket will display renewal notices recently published in the **Federal Register**, publications associated with prior renewals, and applicable public comments received for this ICR.

*OMB ICR Data:* You may also view information collection review data for this ICR, including past OMB approvals, at <https://www.reginfo.gov/public/do/PRASearch>. Under the “OMB Control Number” heading enter “1012-0002” and click the “Search” button located at the bottom of the page. To view the ICR renewal or OMB approval status, click on the most recent entry. On the “View ICR—OIRA Conclusion” page, check the box next to “All” to display all available ICR information provided by OMB.

**FOR FURTHER INFORMATION CONTACT:** To request additional information about this ICR, please contact Linda Miller, Reference & Reporting Management, ONRR, by telephone (303) 231-3626, or by email to [Linda.Miller@onrr.gov](mailto:Linda.Miller@onrr.gov). Individuals who are hearing or speech impaired may call the Federal Relay Service at 1-800-877-8339 for TTY assistance.

**SUPPLEMENTARY INFORMATION:** Pursuant to the PRA, 44 U.S.C. 3501, *et seq.*, and 5 CFR 1320.5, all information collections, as defined in 5 CFR 1320.3, require approval by OMB. ONRR may not conduct or sponsor and you are not required to respond to a collection of information unless it displays a currently valid OMB control number.

As part of its continuing effort to reduce paperwork and respondent burdens, ONRR is inviting the public and other Federal agencies to comment on new, proposed, revised,

and continuing collections of information in accordance with the PRA and 5 CFR 1320.8(d)(1). This helps ONRR to assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand ONRR's information collection requirements and provide the requested data in the desired format.

ONRR is especially interested in public comments addressing the following:

(1) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) The accuracy of ONRR's estimate of the burden for this collection of information, including the validity of the methodology and assumptions used;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) How might the agency minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of response.

ONRR published a notice, with a 60-day public comment period soliciting comments on this collection of information, in the **Federal Register** on April 21, 2021 (86 FR 20708). ONRR received seven comments from companies regarding the 60-Day Notice. Two commenters stated their general agreement with the contents of the ICR. A third commenter stated that the company had recently issued its first Indian royalty payment in February and it is still getting familiar with ONRR's reporting and payments processes. A fourth commenter stated that the company did not have any feedback in response to the 60-Day Notice. Three other commenters declined to provide any comments.

Comments that you submit in response to this 30-Day Notice are a matter of public record. ONRR will include or summarize each comment in its request to OMB to

approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask ONRR in your comment to withhold information from public review, ONRR cannot guarantee that it will be able to do so.

*Abstract: (a) General Information:* ONRR collects, accounts for, and verifies natural resource and energy revenues due to states, American Indians, and the U.S. Treasury. *See* U.S. Department of the Interior Departmental Manual, 112 DM 34.3 (Sept. 9, 2020). ONRR collects various information for this purpose. The information collections that ONRR covers in this ICR are found at 30 CFR part 1202, subparts C and J, which pertain to Indian oil and gas royalties; part 1206, subparts B and E, which govern the valuation of oil and gas produced from leases on Indian lands; and part 1207, which pertains to recordkeeping. These records are essential to ensure that Indian Tribes and individual Indian mineral owners receive all royalties and other revenues owed on the minerals removed from their lands. All data reported is subject to subsequent audit and adjustment.

*(b) Information Collections:* This ICR covers the paperwork requirements under 30 CFR parts 1202, 1206, and 1207 as follows:

(1) *Indian Oil:* Regulations at 30 CFR part 1206, subpart B, govern the valuation for royalty purposes of oil produced from Indian oil and gas leases (Tribal and allotted). These regulations require a lessee to file form ONRR-4110, *Oil Transportation Allowance Report*, when its oil transportation allowance includes costs incurred under non-arm's-length or no-contract transportation situations. ONRR and Tribal audit personnel use the information collected on this form to help verify that the lessee correctly reported its transportation allowance within regulatory allowance limitations and reported and paid the correct amount of royalties.

(2) *Indian Gas*: Regulations at 30 CFR part 1206, subpart E, govern the valuation for royalty purposes of natural gas produced from Indian oil and gas leases (Tribal and allotted). These regulations require reporting on ONRR forms 4109, 4295, 4410, and 4411 as follows:

- A lessee must file form ONRR-4109, *Gas Processing Allowance Report*, when its processing allowance includes costs incurred under non-arm's-length or no-contract processing situations. ONRR and Tribal audit personnel use the information collected on this form to verify that the lessee correctly reported its processing allowance within regulatory allowance limitations and reported and paid the correct amount of royalties.
- A lessee must file form ONRR-4295, *Gas Transportation Allowance Report*, when its gas transportation allowance includes costs incurred under non-arm's-length or no-contract transportation situations. ONRR and Tribal audit personnel use the information collected on this form to verify that a lessee correctly reported its transportation allowance within regulatory allowance limitations and reported and paid the correct amount of royalties.
- A lessee must file form ONRR-4410, *Accounting for Comparison [Dual Accounting]*, to certify for an Indian oil and gas lease when dual accounting is not required (part A) or to make an election for actual dual accounting as defined in 30 CFR 1206.176 or alternative dual accounting as defined in 30 CFR 1206.173 when dual accounting is required (part B).
- A lessee uses form ONRR-4411, *Safety Net Report*, when it sells gas production from an Indian oil or gas lease in an ONRR-designated index zone beyond the first index pricing point. The safety net calculation establishes the minimum value, for royalty purposes, of natural gas production from Indian oil and gas leases. This reporting requirement helps ensure that Indian lessors receive all royalties due and aids ONRR compliance efforts.

(3) *Indian Oil and Gas*: Regulations at 30 CFR 1206.56(b)(2) and 1206.177(c)(2) and (c)(3) allow a lessee to submit form ONRR-4393, *Request to Exceed Regulatory Allowance Limitation*, to request to exceed the 50-percent-of-royalty-value-transportation-allowance limitation for Indian oil and gas leases. This form and other documentation required by the regulations provide ONRR with data necessary to approve or deny the request.

The requirement to report is mandatory for form ONRR-4410, *Accounting for Comparison [Dual Accounting]*, and for form ONRR-4411, *Safety Net Report*, when applicable. A lessee uses ONRR forms 4109, 4110, 4295, and 4393 in order to obtain the benefit of a transportation or processing allowance.

*Title of Collection*: Indian Oil and Gas Valuation, 30 CFR parts 1202, 1206, and 1207.

*OMB Control Number*: 1012-0002.

*Bureau Form Numbers*: Forms ONRR-4109, ONRR-4110, ONRR-4295, ONRR-4393, ONRR-4410, and ONRR-4411.

*Type of Review*: Extension of a currently approved collection.

*Respondents/Affected Public*: Businesses.

*Total Estimated Number of Annual Respondents*: 146 Indian lessees.

*Total Estimated Number of Annual Responses*: 146.

*Estimated Completion Time per Response*: 8.85 hours.

*Total Estimated Number of Annual Burden Hours*: 1,299 hours.

*Respondent's Obligation*: Required to obtain or retain a benefit.

*Frequency of Collection*: Annual and on occasion.

*Total Estimated Annual Non-Hour Burden Cost*: ONRR identified no "non-hour cost" burden associated with this collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The authority for this action is the PRA (44 U.S.C. 3501, *et seq.*).

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Kimbra G. Davis,  
*Director, Office of Natural Resources Revenue.*

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